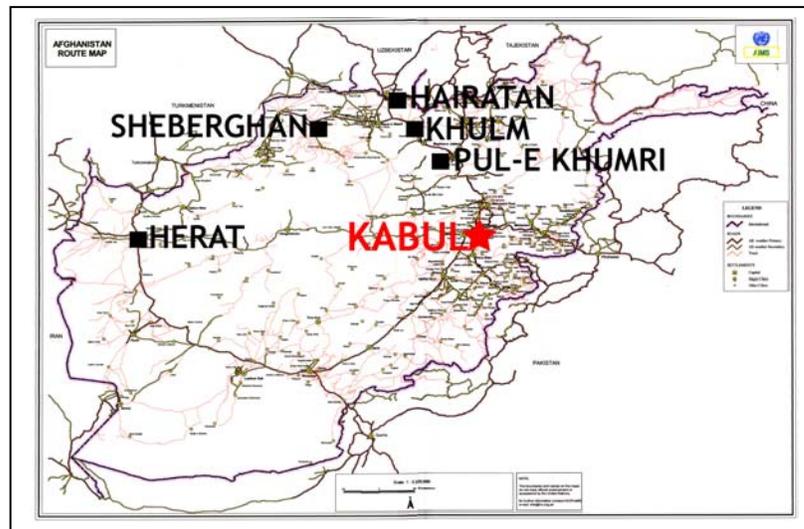


Secondary Cities Emergency Power Project

Project Summary

Subsector	Power
Location	Kabul, Afghanistan
Project Cost	\$15.0 Million
Project Type	Urban reconstruction
Project Executing Firm/Agency	Ministry of Water and Power, Ministry of Public Works and Ministry of Mines and Industries
Financing Agency / Procurement Agency	World Bank / Afghan Assistance Coordination Authority (AACA)



Project Outline

Rehabilitating the infrastructure in Afghanistan is an enormous and extremely important task. The World Bank has identified some priority power-generation projects to return electricity to some cities in Afghanistan. The Secondary Cities Emergency Power Project is designed to improve in infrastructure facilities and delivery, while laying the foundations for sector reforms and institution building. This would in turn lead to sustainable development of the infrastructure and energy sector.

This project is expected to be the start of a longer-term involvement of the International Development Agency (IDA) and other World Bank Group agencies in selected infrastructure sub-sectors. In addition to the creation of suitable legal and regulatory frameworks, capacity building efforts supported by the project would help to create absorptive capacity for handling donor assistance.

Technical Description

The proposed grant will finance the most urgent reconstruction and technical assistance requirements in the urban infrastructure and energy sub-sectors. Additionally it will set the stage for future assistance from the World Bank Group and other donors.

The Power component of the proposed project would consist of the following five parts:

- A. Transmission and distribution materials in secondary cities
- B. Essential tools and equipment to maintain the power system
- C. Hydropower station repairs
- D. Recommissioning of the gas turbine and supply of fuel
- E. Engineering support

Part A: Transmission and Distribution Materials (US\$6.5 million equivalent). This component includes transmission and distribution materials for the implementation of urgent repairs in some secondary cities and the replacement of insulators and conductor on transmission lines.

Part B: Essential Tools and Equipment (US\$1.5 million equivalent). Procurement of essential tools necessary for reestablishing the capacity to operate and maintain the power system: including conductor stringing equipment; vehicles; computers administrative systems; and metering and billing equipment.

Part C: Hydropower Station Repairs (US\$2.5 million equivalent). Strategic spare parts and consumables, and their installation for hydropower stations (including Naghlu, Daruanta, and Pulikumri II).

Part D: Recommissioning of Gas Turbine and Supply of Fuel (US\$3.7 million equivalent). Recommissioning of NW Kabul gas turbine plant and supply of diesel fuel and additives.

Part E: Engineering Support (US\$0.8 million equivalent). Supervision of the erection of the equipment and plant described in Parts A through D of the project, to ensure that the work carried out is to an appropriate standard, provide training, ensure that environmental impacts, if any, are positive, and provide engineering support for the preparation of follow up projects as well as introduction of modern design and construction techniques.

The project will be implemented by the Ministry of Public Works, together with the Ministry of Power and the Ministry of Mines and Industry for the mining, oil, and gas technical assistance. The Afghanistan Assistance Coordination Agency (AACA) will assist with coordination.

Project Site

The project sites are various secondary cities in Afghanistan in dire need of power.

Project Status/Timeline

Ten procurement contracts totaling \$ 8,617,000 have been awarded (see below). An additional \$7 Million remains for procurement.

Contract Description	Total US \$	Signing Date
Clearance and Collection of Slid Waste – Contract with UN Habitat Under H007	\$287,000	8/29/02
Municipal Public Works – MUDH	\$3.3 Million	11/5/02
MPW/026: 6 x 500 KVA Generators with spares	\$1.13 Million	11/9/02
MWP/043: Supply of 1,000,000 Litres of Crude Oil/Petroleum Products	\$300,000	11/25/02
Procurement of Diesel Fuel of 3,450,000 Litres	\$857,000	12/26/02
Rehabilitation of Gas Turbines GT3 and GT4 of the Kabul North West Power Plant	\$1.317 Million	7/24/02
Special Advisor to Ministry of Mines and Industries	\$63,000	12/13/02
Supply of LV Aerial Bundled Conductors	\$459,000	12/4/02
Supply of Overhead Conductors ITQ/MPW/014/CON1	\$349,000	12/4/02
Supply of Trucks – 8	\$555,000	10/9/02

Equipment and Services

Although some procurement has already taken place, the following equipment and services are still required:

- Gas turbines

- Transmission and distribution materials for the implementation of repairs in some secondary cities, and the replacement of insulators and conductor on transmission lines
- Strategic spare parts and consumables, and their installation for hydropower stations
- Technical and engineering assistance for design works

U.S. Competitiveness

U.S firms should be in the highly competitive range in all aspects of equipment supply for this project because the Afghan decision makers are familiar with U.S products.

Procurement of goods and services will be done through the procurement agent under the AACA, but monitoring of technical assistance and investment components, project administration, etc. would be done by the implementing ministries and their agencies.

Project Financing

Contracts will be financed from the World Bank. They will be subjected to the World Bank's procurement policies and rules, and will be open to firms from any country.

Conclusion

This project should be extremely attractive to U.S. energy related equipment and machinery companies.

Key Decision Makers

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